

## MEMORANDUM OF UNDERSTANDING

**Re: In the Matter of the Sale of the Assets of Community Medical Center, Inc.,  
a Montana Public Benefit Corporation**

This Memorandum of Understanding is made and entered among: (1) the Montana Attorney General's Office ("AGO"), (2) Community Medical Center, Inc. ("CMC") and (3) RCHP/Billings-Missoula, LLC ("RCHP/Billings"). RCHP/Billings and CMC are collectively referred to hereinafter as the Parties.

The "Effective Date" of this Agreement shall be the date on which the Parties submit to the AGO a notice of the sale of the assets of CMC, pursuant to Mont. Code Ann. § 35-2-617(7).

Mont. Code Ann. § 35-2-617(7) provides:

- (a) Except as provided in subsection (7)(b), a public benefit corporation or religious corporation shall give written notice to the attorney general 20 days before it sells, leases, exchanges, or otherwise disposes of all or substantially all of its property if the transaction is not in the usual and regular course of its activities unless the attorney general has given the corporation a written waiver of this subsection.
- (b) A public benefit corporation or religious corporation that is considered a nonprofit health entity, as defined in 50-4-701, is subject to the provisions of Title 50, chapter 4, part 7.

Community Medical Center is a public benefit corporation. However, it is not a "nonprofit health entity" as defined in Mont. Code Ann. § 50-4-701.

Notice to the AGO of the sale of assets of CMC is required. The Attorney General has not given CMC a written waiver of Mont. Code Ann. § 35-2-617(7).

The AGO anticipates conducting a review of any sale of assets (the transaction) of CMC upon receipt of notice of the transaction pursuant to the Attorney General's authority under Mont. Code Ann. § 35-2-131. The AGO anticipates requesting a substantial amount of documents and information from the parties relevant to its review of the transaction. The Parties agree to promptly provide required documents and information. The AGO and the Parties agree that the 20 day notice requirement under Mont. Code Ann. § 35-2-617(7) does not provide adequate time for the AGO to review the transaction.

The Parties agree to provide the AGO at least 120 days from the Effective Date to conduct its review of the transaction. With timely access to information and personnel, the AGO anticipates completion of its review of the transaction by December 31, 2014.

If the AGO's review of the transaction requires additional time beyond 120 days, the Parties may agree to provide further extensions of time in order to provide the AGO with sufficient time to conduct its review of the transaction.


The AGO, CMC, or RCHP/Billings may terminate this agreement at any time after 20 business days written notice. Notice to the AGO, CMC, or RCHP/Billings will be effective if sent by

electronic mail or by regular US mail service to the contact information listed under each signatory to this Memorandum of Understanding.


This Memorandum of Understanding constitutes the entire agreement between the AGO and the Parties with respect to the subject matter herein and may not be modified except by agreement in writing signed by representatives of the Parties and the AGO.

This Memorandum of Understanding and any modifications thereof may be executed by facsimile or electronic mail and in separate counterparts, which together shall constitute one instrument.


The undersigned hereby represent that they have the authority to execute this Memorandum of Understanding.

 Date: Sept. 2, 2014  
KELLEY L. HUBBARD  
Assistant Attorney General  
555 Fuller Ave.  
PO Box 200151  
Helena, MT 59620-0151  
Phone: (406) 444-2026  
khubbard@mt.gov

COMMUNITY MEDICAL CENTER, INC.

By:  Date: Sept 2, 2014  
Steve Carlson  
President/CEO  
c/o Gary Chumrau  
Garlington, Lohn & Robinson, PLLP  
P.O. Box 7909 \* 350 Ryman Street  
Missoula, MT 59807-7909  
Phone: (406) 523-2500  
gbchumrau@garlington.com

RCHP/BILLINGS-MISSOULA, LLC

By:  Date: 9-2-2014

Title: Chief Administrative Officer + Secretary

c/o RegionalCare Hospital Partners, Inc.  
Attn: Attention Executive VP & CAO  
103 Continental Place, Suite 200  
Brentwood, TN 37027  
Phone: (615) 844-9871  
howard.wall@regionalcare.net